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## PUBLIC SAFETY AND HOMELAND SECURITY BUREAU EXTENDS TIMEFRAME FOR DETERMINING WHETHER TO FINALIZE DESIGNATIONS OF HUAWEI AND ZTE PURSUANT TO 47 CFR § 54.9

PS Docket No. 19-351 (Huawei Designation) PS Docket No. 19-352 (ZTE Designation)

By this Public Notice, the Public Safety and Homeland Security Bureau (Bureau) of the Federal Communications Commission finds good cause to extend the timeframe for determining whether to issue final designations of Huawei Technologies Company (Huawei) and ZTE Corporation (ZTE) in the above-reference proceedings.

In the *Protecting Against National Security Threats Order*, the Commission initially designated Huawei and ZTE as national security threats to the integrity of communications networks and the communications supply chain.<sup>1</sup> The Commission directed the Bureau to determine whether to finalize the designations of Huawei and ZTE, which would have the effect of prohibiting the use of Universal Service Fund (USF) support to procure or otherwise support equipment or services produced or provided by those two companies.<sup>2</sup> The Commission instructed the Bureau to make a final determination no later than 120 days after publication of the initial designations in the Federal Register, which occurred on January 3, 2020.<sup>3</sup> The Commission further held that the Bureau may extend the 120-day deadline for good cause.<sup>4</sup> Thus, the Bureau must determine whether to finalize the designations of Huawei and ZTE by May 4, 2020,<sup>5</sup> unless we find good cause to extend this deadline.<sup>6</sup>

<sup>&</sup>lt;sup>1</sup> Protecting Against National Security Threats to the Communications Supply Chain Through FCC Programs et. al, WC Docket No. 18-89, et. al, Report and Order, Further Notice of Proposed Rulemaking, and Order, 34 FCC Rcd 11423, 11439-40, para. 43, (2019) (Protecting Against National Security Threats Order or Order).

<sup>&</sup>lt;sup>2</sup> *Id.* at 11449, paras. 64-65; *see id.* at 11483, para. 170 ("[U]se of USF support to procure or otherwise support equipment or services produced or provided by these two companies has not and will not be disallowed until such time as PSHSB issues a public notice announcing its final determination and the effective date of any potential final designation of one or both of these companies.").

<sup>&</sup>lt;sup>3</sup> See Order, 34 FCC Rcd at 11438, para. 40; *id.* at 11449, para. 64; *id.* at 11486, para. 185; Federal Communications Commission, Protecting Against National Security Threats to the Communications Supply Chain Through FCC Programs; Huawei Designation; ZTE Designation, 85 Fed. Reg. 230 (Jan. 3, 2020).

<sup>&</sup>lt;sup>4</sup> Order, 34 FCC Rcd at 11449, para. 64; 47 C.F.R. § 54.9(b)(2).

<sup>&</sup>lt;sup>5</sup> Order, 34 FCC Rcd at 11449, para. 64. See 85 Fed. Reg. 230 (Jan. 3, 2020). See also 47 CFR § 1.4(j) (providing that if the deadline for action falls on a weekend, action must be taken by the next business day).

<sup>&</sup>lt;sup>6</sup> Order, 34 FCC Rcd at 11449, para. 64; 47 CFR § 54.9(b)(2).

Pursuant to section 54.9(b)(2) of the Commission's rules, we find that good cause exists to extend the timeframe for completing the designation processes for Huawei and ZTE. First, during the 120-day period following the initial designations, Congress passed and the President signed into law the Secure and Trusted Communications Networks Act of 2019, which itself directs the Commission to develop a list of equipment and services for which USF funds may not be used, and pursuant to which Congress specifically identified Huawei and ZTE.8 The Bureau sought input from the public on the application of the Secure Networks Act to the designation proceedings, and both Huawei and ZTE, among others, filed comments. 9 Additional time will enable the Bureau to fully consider the comments filed in response and to complete its analysis of the impact of the Secure Networks Act on these designation proceedings. Second, Huawei and ZTE both responded to their respective initial designation orders, in Huawei's case submitting voluminous comments totaling more than 5,000 pages.<sup>10</sup> An extension of time to review the extensive record in these proceedings is consistent with our commitment to providing appropriate process to potentially affected parties. Thus, we find that the passage of the Secure Networks Act while the initial designations were pending, as well as the importance of fully and adequately considering the records in these proceedings, constitute good cause to extend the timeframe for determining whether to finalize the designations of Huawei and ZTE.

In the interests of regulatory certainty and national security,<sup>11</sup> the Bureau extends for good cause the timeframe for determining whether to finalize the designations of Huawei and ZTE to June 30, 2020.

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<sup>&</sup>lt;sup>7</sup> See 47 CFR § 54.9(b)(2).

<sup>&</sup>lt;sup>8</sup> See Pub. L. 116-124, 133 Stat. 158, §§ 2-3 (2020) (Secure Networks Act) (citing Pub. L. No. 115-232, 132 Stat. 1918, § 889(f)(3) (2018)).

<sup>&</sup>lt;sup>9</sup> See Public Safety and Homeland Security Bureau Seeks Comment on Applicability of Secure and Trusted Communications Networks Act of 2019 to Initial Designation Proceedings of Huawei and ZTE, Public Notice, PS Docket Nos. 19-351, 19-352, DA 20-267 (PSHSB Mar. 13, 2020).

<sup>&</sup>lt;sup>10</sup> See generally Comments of Huawei Technologies Co., et al., PS Docket No. 19-351 (filed Feb. 3, 2020), available at <a href="https://www.fcc.gov/ecfs/search/filings?date\_received=%5Bgte%5D1900-01-01%5Blte%5D2020-02-03&proceedings\_name=19-351&q=filers.name:(\*Huawei\*).">https://www.fcc.gov/ecfs/search/filings?date\_received=%5Bgte%5D1900-01-01%5Blte%5D2020-02-03&proceedings\_name=19-351&q=filers.name:(\*Huawei\*).</a>

<sup>&</sup>lt;sup>11</sup> See Order, 34 FCC Rcd at 11449, para. 64.